

CIA director resigns amid spy disaster

Washington Post in Washington

JUDGE William Webster, director of the CIA for the past four years and the FBI director before, startled Washington when he resigned yesterday, saying "it was time to return to private legal practice." His resignation follows a new intelligence scandal, with the fire at the US embassy in Moscow last month apparently having led to the loss of computer disks and other material when Soviet firemen, possibly including KGB agents, moved unescorted through parts of the burning building.

The State Department has said that no compromising material was lost, but rumours in the Congress intelligence committees say the incident was "an intelligence disaster".

Communications between the Moscow embassy and the US have been so compromised, State Department sources have said, that cables are now being hand-written and encrypted in the embassy, and taken by courier to the US embassy in Helsinki for transmission to Washington.

President Bush, himself a former CIA director, hastened to praise Judge Webster's stewardship of the best-known US intelligence agency yesterday, saying that "the intelligence was superb" during the Gulf crisis.

"I hate to see him go. This was his choice," Mr Bush said.

"The intelligence was outstanding, and the [intelligence] community performed fantastically — I have no complaints whatsoever about the quality of our intelligence," the President added.

This was to protest too much. The intelligence community itself has been discreetly vocal about the contrast between the quality of the electronic and satellite intelligence about Iraq's military capacity, and the woeful state of human intelligence on the ground and within the Iraqi leadership about Saddam Hussein's intentions.

Moreover, the Bush Administration was taken sharply by surprise by the rebellion of the Shi'ites of southern Iraq against the Saddam Hussein regime.

The leading candidate to succeed Judge Webster, hawkish Robert Gates, former deputy director of the CIA and currently deputy head of the NSC.

"I haven't considered succe-

...all have great respect for him," President Bush said yesterday.

Mr Gates had hoped to become CIA Director four years ago, but President Reagan decided against it, fearing that suspicions of Mr Gates' potential involvement in the Iran-gate affair could lead to a politically embarrassing set of hearings when the US Senate considered his nomination for the job.

But the nagging scandal of Irangate will not go away, and some White House aides have privately blamed Mr Bush's heart troubles on the renewal of the allegations that he was involved in a secret deal between the Reagan camp and the Iranians in 1980.

The Democrats in Congress have now begun gingerly and informally to see if there is any hard evidence in what would have been a breathtaking conspiracy to steal the presidency.

According to a former NSC staff man, Gary Sick, the deal was to ensure that incumbent President Jimmy Carter would not be able to snatch a last-minute election victory by securing freedom for the hostages from the US embassy in Tehran. In return, so goes the conspiracy theory, the Reagan camp offered arms and covert support to the Iranian regime at a secret meeting in Paris the month before the 1980 election, which Mr Bush is said to have attended.

The former Iranian President, Bani Sadr, has now added fuel to the fire, saying that there was a deal, but Mr Bush was not part of it. President Bush reacted furiously to this yesterday, declaring, "I can only say categorically that the allegations about me are grossly untrue, factually incorrect, bald-faced lies".

The Wall Street Journal yesterday published a schedule of speeches and campaigning for Mr Bush during the relevant days of October 1980, including a private lunch in Washington with a member of the Supreme Court, which would seem to rule out his presence in Paris.

But President Bush spoke in a way which exonerated only himself, and carefully did not kill off the nagging suspicion that some sort of deal might have been arranged between the Iranians and others in the Reagan campaign.

"All I can speak of is my own participation or lack thereof," Mr Bush said. "I am talking about myself. And I can categorically deny any contact with the Iranians or anything hav-

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